



CREATING VALUE FOR A BRIGHTER FUTURE



Annual Report 2010-11



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Board of Directors

1	F.P. Sarkari	6	T.A. Dubash	11	A.B. Choudhury
2	N.D. Forbes	7	A.B. Godrej	12	J.S. Bilimoria
3	K.N. Petigara	8	J.N. Godrej	13	K.K. Dastur
4	S.A. Ahmadullah	9	N.B. Godrej		
5	V.M. Crishna	10	M. Eipe		





1 2 3 4 5 6 7 8 9 10 11 12 13

Corporate Information

COMPANY SECRETARY	:	V. Srinivasan
AUDITORS	:	Kalyaniwalla & Mistry, Chartered Accountants

BOARD COMMITTEES

Audit Committee	:	F.P. Sarkari (Chairman) S.A. Ahmadullah K.K. Dastur K.N. Petigara
Compensation Committee	:	S.A. Ahmadullah (Chairman) A.B. Choudhury K.N. Petigara N.B. Godrej
Shareholders Committee	:	A.B. Godrej T.A. Dubash M. Eipe
Management Committee	:	A.B. Godrej N.B. Godrej T.A. Dubash M. Eipe
REGISTRARS & TRANSFER AGENT	:	Computech Sharecap Ltd. 147, Mahatma Gandhi Road, Opp. Jehangir Art Gallery, Fort, Mumbai 400 001. Phone: 022 - 2263 5000 to 2263 5002 Fax: 022 - 2263 5001 e-mail: helpdesk@computechsharecap.com

REGISTERED OFFICE:

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Vikhroli (East), Mumbai 400 079.
Phone: 022 - 2518 8010, 2518 8020, 2518 8030
Fax: 022 - 2518 8066
website: www.godrejinds.com

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Vikhroli (East), Mumbai 400 079.
Phone: 022-2518 8010, 2518 8020, 2518 8030
Fax: 022-2518 8066, 2518 8064

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(DTA & EOU) Burjorjinagar, Plot No. 3,
Village Kanerao, Taluka - Valia,
District Bharuch, Gujarat 393 135.
Phone: 02643 - 270756 to 270760
Fax: 02643 – 270018

Wadala L.M. Nadkarni Marg, Near M.P.T. Hospital,
Wadala (East), Mumbai 400 037.
Phone: 022 - 2415 4816, 2414 8770
Fax: 022 - 2414 6204

BRANCHES:

Delhi 4th Floor, Delite Theatre Building,
4/1, Asaf Ali Road, New Delhi 110 002.
Phone: 011 - 2326 1066
Fax: 011 - 2326 1088

Kolkata Block GN, Sector - V,
Salt Lake City, Kolkata 700 091.
Phone: 033 - 2357 3555
Fax: 033 - 2357 3945

London 284A, Chase Road, Southgate,
London N14 - 6HF., UK
Phone: (004420) - 88860145
Fax: (004420) - 88869424

BANKERS:

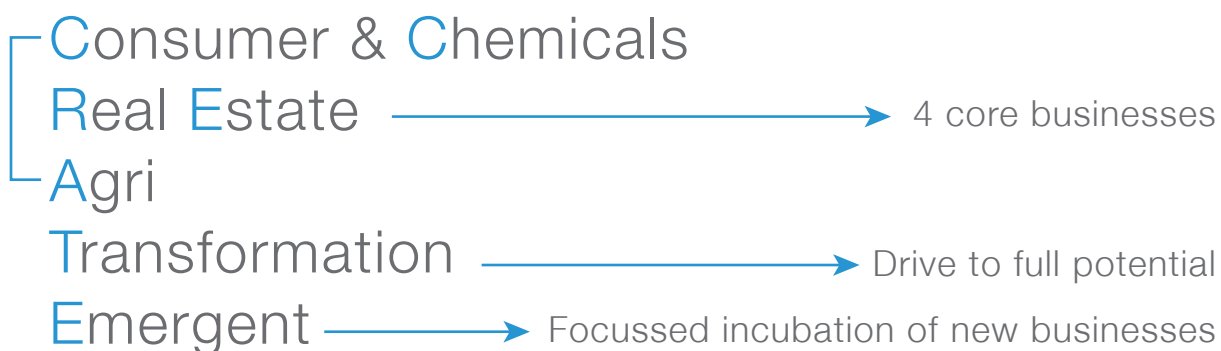
Central Bank of India
State Bank of India
Bank of India
HDFC Bank Ltd.
Citibank N.A.
HSBC Ltd.
DBS Bank Ltd.
IDBI Bank Ltd.

Chairman's Letter



Dear Shareholders,

I am delighted to address you on what has been another year of successful performance by your Company and share our plans for the year ahead. In order to achieve our planned trajectory of growth, we have articulated a cohesive direction for the Group. Our approach is called CREATE, which represents both the focused set of businesses that we participate in, along with some of the key imperatives that we are pursuing across the Group – competitively growing our core businesses, building an environment for transformation and nurturing emergent businesses of the future. **CREATE** stands for:



Let me outline some of our key achievements over the last year for each dimension of our CREATE strategy:

C – Consumer and Chemicals

Consumer (GCPL)

Fiscal year 2011 has marked GCPL's transformation into an emerging markets MNC. Through the Sara Lee stake acquisition, we are now the largest Indian Household and Personal Care Company. We have also seen an outstanding growth in domestic household insecticides and a strong performance by our international businesses, which now contribute around a third of total revenue. With a rising per capita income, expected improvements in the macro-economic scenario and the ability to meet ever-changing consumer demand, GCPL is well positioned for strong growth ahead.

Chemicals

Our Chemicals business has witnessed a year of healthy demand across product categories, with strong growth from end users. Margins too have improved, as a result of increased contribution from high margin specialty chemicals. We will continue to leverage our unique manufacturing capabilities, long standing relations with customers and robust demand on the export as well as domestic fronts, to sustain our leadership position in the Indian oleo-chemicals and surfactants industries.

R E – Real Estate (GPL)

Our properties business has had a good year and our pace of growth is very encouraging. We have been expanding our presence across India and establishing ourselves as a national property developer. In fiscal year 2011, GPL saw expanding volumes as a result of successful launches in high

growth cities and strong progress across existing projects as well. Our unique business model insulates the business from downside risks inherent to the cyclical nature of the real estate sector. We are well poised to grow this business in the years ahead.

A – Agri Business (GAVL)

We have just concluded a strong year of growth in our agri business, especially in our animal feed segment. The oil-palm and agri-inputs segments are poised for tremendous growth in the years to come. In fact, the scope for oil palm business in India is tremendous given the increasing thrust by the government on meeting edible oil requirements internally. We also completed the acquisition of the 51% stake in our Aqua Feed joint-venture, Godrej Gold Coin Aquafeed Limited. We expect the strong growth to continue and will drive focus on this in the year ahead.

T – Transformation

Our transformation is built on harnessing the power of Brand Godrej and implementing our Brighter Living vision. Five Godrej brands featured in Brand Equity's Most Trusted Brands Survey 2010, which is the highest ever for any Indian Group. The Godrej brand was voted the second most trusted consumer durables brand in India, while Good Knight jumped to a historic high at rank 12 and continues to be the most trusted household care brand in the country.

As a Group, we have always actively championed social responsibility. We have spent the last few months working out what we can do to further our commitment through 'shared value' initiatives that create both social and business benefits. In line with this, we have crafted a vision for playing our part in creating a more inclusive and greener India. We have named this effort 'Godrej Good & Green'. As part of 'Good & Green' by 2020, we will aspire to create an employable workforce, build a greener India and innovate for good and green products. I believe that this will play a vital role in charting the course ahead for our Group.

Our people are our most valuable asset and we will continue to focus on being an employer of choice. This year too, we were recognized as being among India's Top 50 best places to work for by the Economic Times and Great Place to Work Institute.

E – Emergent Businesses

We continue to devote attention to incubating 2 key businesses within the Group – Godrej Hershey Limited (GHL) and Natures Basket.

GHL's new product launches this year have reinvigorated our portfolio. While we have already exerted tighter control on costs, our focus will now also be on moving faster on new innovations and reaching profitability.

Our Natures Basket business, the foray into gourmet food retailing, has been ramping up very well with a strong expansion in Mumbai and beyond. We currently have 14 stores and plan for 8 new stores in the coming year.

I would like to take this opportunity to thank our employees for their contributions towards building a brighter Godrej. I would also like to extend my gratitude to the Government, our business partners, vendors, other business associates and all shareholders for their continued interest, support, trust and encouragement.

Yours sincerely,

Adi Godrej
Chairman

Financial Highlights

All figures in ₹ crore

2010-11 2009-10 2008-09 2007-08 2006-07 2005-06

BALANCE SHEET

SOURCE OF FUNDS:

Shareholders' Funds:

- Share Capital	31.76	31.76	31.98	31.98	29.19	29.19
- Reserves & Surplus	1,058.40	990.93	995.15	1,026.44	381.43	342.17
Secured Loans	83.23	204.19	232.82	249.48	330.92	249.10
Unsecured Loans	470.99	343.42	368.14	186.19	136.77	78.03
Deferred Tax Liability	35.92	31.98	32.78	36.19	39.80	38.18
	1,680.30	1,602.28	1,660.87	1,530.28	918.11	736.67

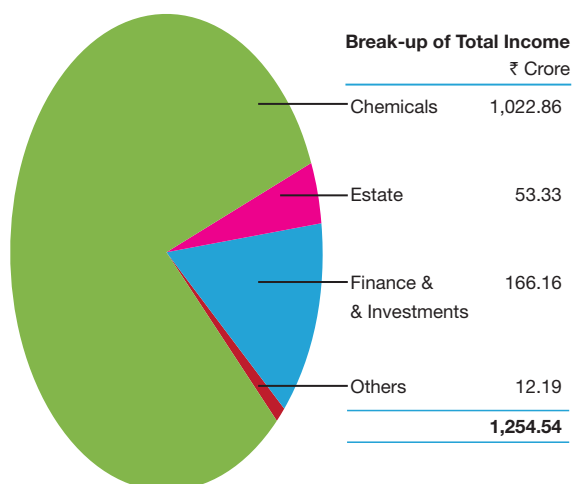
APPLICATION OF FUNDS:

Fixed Assets	319.62	298.62	288.71	271.42	287.04	285.94
Investments	1,233.75	1,147.63	1,148.08	775.48	485.67	371.35
Net Working Capital	126.93	156.03	220.22	472.70	129.37	57.19
Miscellaneous Expenditure	-	-	3.86	10.68	16.02	22.19
	1,680.30	1,602.28	1,660.87	1,530.28	918.11	736.67

INCOME & PROFIT

Total Income	1,254.54	991.70	971.48	838.82	782.91	802.70
Expenditure other than Interest and Depreciation	1,026.56	823.07	867.46	671.19	640.78	696.61
Profit before Depreciation, Interest and Tax	227.98	168.63	104.02	167.62	142.13	106.09
Depreciation	28.85	28.39	26.46	25.47	24.26	22.59
Profit before Interest and Tax	199.13	140.24	77.56	142.15	117.87	83.50
Interest (net)	63.12	60.25	61.06	34.44	38.31	28.37
Profit before Tax	136.01	79.99	16.50	107.72	79.56	55.13
Provision for Tax	2.58	(0.93)	(2.18)	2.01	2.45	18.61
Net Profit after Tax	133.43	80.92	18.68	105.71	77.11	36.52
Net Profit after taxes, Prior Period, exceptional items and adjustments	133.43	80.92	18.08	108.81	78.06	71.13

Total Income 2010-2011



Total Expenditure 2010-2011

